STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

| Illinois Commerce Commission On its Own Motion |) |
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| Implementation of the Federal Communications |) |
| Commission's Triennial Review Order with respect |) 03-0593 |
| to a Batch Cut Migration Process |) |
| Implementation of the Federal Communications |) |
| Commission's Triennial Review Order with respect |) |
| to Potential Non-Impairment Determinations |) |
| Regarding Unbundled Local Switching for |) 03-0595 |
| Mass Market Customers in Specific Markets |) |
| Implementation of the Federal Communications |) |
| Commission's Triennial Review Order with respect |) 03-0596 |
| to Local Loops and Dedicated Transport |) |

Opposition of Access One, Inc., BullsEye Telecommunications, Inc., CIMCO Communications, Inc., Focal Communications Corporation, Forte Communications, Inc., Globalcom, Inc., Mpower Communications

Corporation, and XO Illinois, Inc. to

SBC's Motions to Dismiss Illinois Commerce Commission

Dockets 03-0593, 03-0595 and 03-0596

Access One, Inc., BullsEye Telecommunications, Inc., CIMCO Communications, Inc., Focal Communications Corporation, Forte Communications, Inc., Globalcom, Inc., Mpower Communications Corporation, and XO Illinois, Inc. (collectively, "CLECs") hereby file their Opposition to SBC's Motion to Dismiss the above-captioned proceedings ("TRO dockets"). For the reasons discussed below, CLECs oppose SBC's Motion, and instead request that the Commission hold the TRO dockets in abeyance.

I. History of Proceedings

The FCC released its *Triennial Review Order* on August 21, 2003. In response to that order, the Illinois Commerce Commission ("ICC" or "Commission") initiated dockets 03-0593, 03-0595 and 03-0596 (collectively, the "TRO dockets") on September 30, 2003. On March 2, 2004, the D.C. Circuit issued its opinion in *USTA v. FCC*, 359 F.3d 554 (D.C. Cir. 2004) ("*USTA II*"). In response to the *USTA II* opinion, the Commission issued orders on March 17, 2004 staying the TRO dockets. On June 18, 2004, SBC filed Motions to dismiss the TRO dockets.

II. The Commission Should Deny SBC's Motion to Dismiss and Instead Hold the TRO Dockets in Abeyance.

In its Motion, SBC moves for dismissal because the portions of the TRO and FCC rules that delegated to the Commission the authority to undertake these proceedings have been vacated by the *USTA II* decision.² As discussed below, this decision does not justify dismissing these proceedings and essentially discarding all the evidence collected in them. If anything, holding these proceedings in abeyance is proper under the circumstances.

At this time, dismissal of these proceedings is inappropriate because the FCC could, under its new rules, use the information already collected in the TRO dockets in its effort to determine whether mass market switching, high capacity loops and transport should be made available as UNEs in Illinois. As the Commission may know, the FCC is expected to release interim rules in the wake

¹ SBC Illinois' Motion to Dismiss Triennial Review Proceedings ("Motion to Dismiss") (June 18, 2004).

² Motion to Dismiss at 1-2.

of the issuance of the D.C. Circuit's decision. The FCC has also stated that it plans to adopt permanent unbundling rules by the end of this year. In implementing any new rules that require a state-specific fact-gathering effort, the FCC will likely take the lead rather than the states. Holding the TRO dockets in abeyance rather than dismissing them would ensure that the FCC would not have to start from scratch in compiling such Illinois-specific information. Even if the FCC ultimately decides to go beyond the record established in these dockets to make new impairment determinations for Illinois, the information in these records is bound to be helpful to it.

The FCC inevitably will require Illinois-specific data to implement any permanent rules that it adopts. Indeed, any impairment analysis the FCC undertakes pursuant to the USTA II remand must continue to be granular under the requirements of USTA l^3 In USTA l the D.C. Circuit found that the Act requires "a more nuanced concept of impairment than is reflected in findings ... detached from any specific markets or market categories." USTA I, 290 F.3d at 426. It reaffirmed this requirement throughout USTA II. Therefore, the FCC will need to look at Illinois-specific data before making any granular impairment decisions regarding Illinois and much of that raw information has already been collected in the TRO dockets.

Furthermore, USTA II made clear that the FCC may consider information collected by the states and their recommendations. In fact, the D.C. Circuit recognized that states can provide valuable input into unbundling decisions, both

³ United States Telecom Association v. FCC, 290 F.3d 415 (D.C. Cir. 2002).

in gathering facts and providing its opinion on how those decisions affect critical local competition issues. As the D.C. Circuit held, "a federal agency may turn to an outside entity for advice and policy recommendations, provided the agency makes the final decision itself." Holding these proceedings in abeyance therefore makes perfect sense and recognizes that the Commission, in supporting the FCC in this manner, will need to provide to the FCC information that, for the most part, has already been collected in the TRO dockets.

FCC Commissioners have even indicated their desire to have the states assist them in this manner and make the most of the data collected by them. For instance, FCC Commissioner Kevin Martin stated that "I am confident that, irrespective of the final outcome, the relevant data and factual information you have and will gather as part of the competitive market analysis will be vital to advancing the cause of local competition in the next phase of the Commission's process." Commissioner Martin further indicated that the FCC would ask the states "for much of the same information even if the FCC were to make those decisions on its own".

More recently, in a speech before the Southeastern Association of Regulatory Utility Commissioners, FCC Commissioner Michael Copps stated:

But as we face the new world of transitional rules, the work you've done before becomes even more relevant. Many of you responded to our call for state analysis of the availability of switching, high capacity loops and transport. Now you need to help us again. *If*

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⁴ USTA II, slip op. at 17.

⁵ See http://www.fcc.gov/commissioners/martin/documents/NARUC3-8-04.pdf.

⁶ Telecommunications Reports State News Wire, March 9, 2004. "The gathering of the factual information is important in implementing whatever standard gets applied," he reportedly said. *Id.*

you've collected information – bring it on. If you've gathered facts – show us. If you've amassed data and analyzed it based on operational and economic facts – let us see what you've learned. State commission knowledge about the state of truly local competition can be so much better than anything we cook up far away in Washington.⁷

Holding the TRO dockets in abeyance is fitting because dismissal would ignore the significant resources that all the parties poured into these proceedings to develop the records, including resources necessary to propound and answer comprehensive data requests and submit multiple sets of testimony. SBC's motion also fails to recognize that CLECs, who were nonparties to the proceedings, had to spend tremendous amount of time and resources responding to data requests that they were ordered to answer. Since much of the information that the FCC will likely require in implementing its new rules is at the Commission's finger tips and contained in the TRO dockets, abeyance over dismissal is proper so that CLECs will not have to go through the process of providing the *same information* that has already been gathered in the TRO dockets.

CLECs are aware of no potential harm from allowing the TRO dockets to remain open yet abated. Dismissing them, however, may make it more difficult for this Commission or the FCC to later use the record developed in them. Thus, rather than taking that approach, the Commission should make every effort to preserve the information that the parties' have gathered to date in the TRO dockets. Holding the proceedings in abeyance does just that.

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⁷ Remarks of Commissioner Michael J. Copps, Southeastern Association of Regulatory Utility Commissioners, Charleston, South Carolina, June 15, 2004.

Given the above, the Commission should deny SBC's Motion and hold the TRO dockets in abeyance pending further FCC direction. The Texas Public Utilities Commission recently did so⁸ and the ICC should as well.

III. Conclusion

For the reasons discussed herein, the CLECs respectfully request that the Commission deny SBC's Motion to Dismiss and instead hold the TRO dockets in abeyance pending further direction from the FCC.

Respectfully submitted,

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⁸ Public Utility Commission of Texas, Order abating dockets 29175, 28744, 28745, and 28607 (June 21, 2004).

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CERTIFICATE OF SERVICE

I, Kevin D. Rhoda, an attorney, certify that I served a copy of the Opposition of Access One, Inc., BullsEye Telecommunications, Inc., CIMCO Communications, Inc., Focal Communications Corporation, Forte Communications, Inc., Globalcom, Inc., Mpower Communications Corporation, and XO Illinois, Inc. to SBC's Motions to Dismiss Illinois Commerce Commission Dockets 03-0593, 03-0595 and 03-0596. to all parties on the attached service list via e-mail on July 2, 2004.

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